NATIONAL CANNERS ASSOCIATION

INFORMATION LETTER

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CANNING CROPS OUTLOOK FOR 1934-35

A report on the agricultural outlook for 1934-35 was issued on November 5 by the U. S. Bureau of Agricultural Economics. Following are the Bureau's statement on truck crops for manufacture, and excerpts from its separate statements with reference to snap beans, sweet corn, green peas, and tomatoes for canning.

If the current prices of canned goods have their usual influence upon canners when planning the acreage of canning vegetables to be grown in 1935, the growers of these vegetables may have the opportunity of securing contracts for a nearly record acreage in 1935 at prices about equal to or above those received in 1934. Since 85 to 90 per cent of the total acreage of commercial canning vegetables is ordinarily contracted or grown under the control of canners or packers themselves, the determination of the acreage to be grown in 1935 rests almost entirely in their hands.

No appreciable increase in the acreage for the 1935 season seems justified when it is considered that the 1934 acreage of canning vegetables was the second largest on record and that this acreage, under average growing conditions, would have produced a pack that might have proved burdensome—perhaps 15 to 20 per cent larger than that actually obtained and close to the 1930 pack, which was the second largest on record. Disastrous growing conditions in many areas during the 1934 season reduced the yield per acre to the lowest level on record and eliminated the threat of excessive supplies. As a repetition of the 1934 growing conditions seems improbable in 1935, it would appear more reasonable for packers and growers to assume average yields per acre in planning their 1935 acreages than to be guided by the extremely low yields of the 1934 season. Acreage should be determined, as far as possible, by probable consumption requirements for the several crops during the 1934-35 and 1935-36 marketing seasons. The probable level of consumer purchasing power, size of the 1934 packs, carryover, and, to some extent, competition of fresh vegetables and home canning, are the main factors to be considered.

The total pack of commercially canned vegetables in 1934, as indicated by preliminary estimates, is expected to be somewhat larger than the small pack of 1933 but slightly below the average of the previous five years. Although there were unusually small carryover stocks at the beginning of the 1934-35 marketing season, total supplies are about equal to the average of the last three seasons. Domestic demand for most canned vegetables improved during the 1933-34 marketing season and, although considerably below normal, is likely to average somewhat above that of the preceding season. A factor tending to increase the demand for commercially canned vegetables is the failure of home gardens and the restricted pack of home-canned vegetables in the drought-stricken areas. Under these conditions, it appears that wholesale prices of canned vegetables will continue at a

relatively high level throughout the 1934-35 marketing season and that contract prices to growers of vegetables for manufacture in 1935 will be maintained or increased over the 1934 levels.

Since 1918 the acreage of commercial canning vegetables has expanded and contracted in a more or less regular cycle, contraction of acreage following the accumulation of large carryover and expansion occurring when these stocks became relatively small. During recent years the acreage has tended to decrease for two years following a peak, and to expand during the next three seasons to another peak. Following the record-breaking 1930 acreage (1,329,000 acres) of eight principal canning vegetables (asparagus, snap beans, cabbage for kraut, sweet corn, cucumbers for pickles, green peas, tomatoes, and spinach), the acreage declined during the next two seasons to a low of 757,000 acres in 1932. This low acreage was followed by two years of increases, with the 1934 plantings reaching a total of 1,187,000 acres, or within 12 per cent of the record high acreage of 1930. Judging from the history of the period from 1925 to 1930, it appears probable that the acreage of 1935 will be larger than of 1934, and may equal or exceed the acreage of 1930 unless packers make a concerted effort to hold it within present limits.

Although the 1934 acreage of these eight crops was increased 36 per cent over the 1933 acreage and 18 per cent over the 1924-29 average, the index of total production on this acreage is only 18 per cent above the light production of 1933 and is 7 per cent below the level of production for the 1924-29 period. Drought and heat damage in many areas resulted in the lowest yield per acre on record and averted the possibility of burdensome surpluses on several of these crops. Among the crops most seriously affected by unfavorable weather conditions were green peas, sweet corn, tomatoes, and cucumbers for pickles. But as a result of increased acreages, the indicated production on all commercial canning vegetables except asparagus is larger than the 1933 production. Compared with the five-year average production of 1928-32, however, asparagus, green peas, snap beans, cucumbers for pickles, spinach, and sweet corn show decreases of 5 to 23 per cent. Cabbage for kraut and tomatoes are 2 and 8 per cent, respectively, above the five-year average productions. Increases over the five-year average production are also indicated for the less important crops of green lima beans, beets, and pimientos.

Information on the average prices to growers for the 1934 season is not yet available, but judging from past relationships between contract prices to growers and prices received by packers for canned vegetables during the preceding December, January, and February, the level of prices to growers for vegetables for canning during the 1934 season probably averaged higher than the 1933 prices. The index of prices to growers in 1934 of the eight principal canning vegetables may average 75 to 80 per cent of the 1924-29 level compared with 70 per cent in 1933, 66 per cent in 1932, 84 per cent in 1931, and 99 per cent in 1930.

The total gross value to the grower was closely associated with total production from 1920 to 1930, inclusive, the amount of money received by growers for their crops rising and falling in proportion to the size of production. In 1931, however, a decrease of 30 per cent in production was accompanied by a decline of 40 per cent in value; and in 1932 a decrease of 20 per cent from the previous year's production was accompanied by a 38 per cent drop in total value, prices to growers of canning vegetables during these depression years declining more rapidly than wholesale prices of most canned vegetables. With the expansion of acreage in 1933, an

increase of 10 per cent in production was accompanied by a rise of 18 per cent in total value, production in 1933 reaching to 79 per cent of the 1924-29 level, while total value rose to 56 per cent of the value for the same base period. The 1934 production is expected to reach 93 per cent of the 1924-29 average, with a probability of total value reaching 70 to 75 per cent of the 1924-29 level.

Snap Beans

Although the production of snap beans for the fresh market during the fall, winter, and spring of the 1934-35 season is expected to be less than the peak production of 1934, the supply of canned snap beans available for 1934-35, in view of existing consumption requirements, indicates that a smaller acreage than planted in 1934 would produce enough to meet consumption requirements of the 1935-36 season.

The 1934 production may be equivalent to a total pack of nearly 6,000,000 cases of 24 No. 2 cans. In 1933 the pack reached a total of 5,532,000 cases, and for the five-year period, 1928-32, it averaged 6,617,000 cases. Total supplies for the 1934-35 season, including carryover, will probably be close to 6,700,000 cases.

Should consumption during the 1934-35 season approximate the average of 5,500,000 cases of the last three seasons, the prospects are for a carryover of about 1,200,000 cases into the 1935-36 season. A carryover of 1,200,000 cases at the end of the 1934-35 season probably would prove burdensome if combined with a 1935 pack the same size as that expected in 1934. A pack not in excess of 5,000,000 cases in 1935 probably would be sufficient to meet consumption requirements in 1935-36 under the existing demand conditions and leave a carryover in line with that of the last two seasons. A planting of approximately 42,000 acres, or 15 per cent less than the 1934 acreage, under average growing conditions, would give a pack of 5,000,000 cases.

Sweet Corn

Preliminary estimates indicate a total pack of canned sweet corn in 1934 of 11,000,000 to 12,000,000 cases of equivalent No. 2 cans, 24 to the case. In 1933 the pack totaled 10,193,000 cases, and for the five-year period, 1928-32, it averaged about 15,300,000 cases. These figures do not include the pack of field corn, which in 1934 is expected to be larger than usual in some areas where the sweet corn crop was curtailed by the drought.

The disappearance of canned sweet corn from canners' hands during the 1933-34 season was the lowest in recent years, being only 11,300,000 cases, compared with 14,200,000 cases in 1932-33 and with an average of 15,800,000 cases for the five preceding seasons, 1927-28 to 1931-32. The largest disappearance since the record-high pack of 1925 was during 1929-30, when more than 17,000,000 cases passed from canners' hands into consumption channels. Exports in recent years have not exceeded 50,000 cases annually.

Assuming that consumption of canned sweet corn during the 1934-35 season may reasonably be between the low mark of 1933-34 and the moderate totals of 1932-33 and 1931-32, it appears that carryover at the beginning of the 1935-36 marketing season will be the smallest in recent years. In this event, total supplies for 1935-36 will be obtained largely from the 1935 pack. Unless there is a marked improvement in the level of consumer purchasing power in 1935-36, the consumption of canned sweet corn during that season is not likely to exceed the levels of 1931-32 and 1932-33, when apparent consumption was slightly above 14,000,000 cases but was 11 per cent below the five-year average. Under these conditions, a pack

which would cover a probable 14,000,000-case consumption in 1935-36 and leave a normal carryover at the beginning of the following season, or a total pack of not more than 15,500,000 cases in 1935, would not seem excessive.

A planting of approximately 310,000 acres, or an acreage slightly less than that of 1934, under average growing conditions, would give a pack of 15,500,000 cases. Such a planting would not differ greatly from the five-year average of 1928-32. Plantings in 1934 were increased 53 per cent over the small acreage of 1933, and had average growing conditions prevailed, would have resulted in an excessive supply for the 1934-35 marketing season. But as a result of damage from drought and heat, the yield per acre in 1934 was reduced to the lowest point on record and the threat of an excessive pack was eliminated.

Green Peas

The total pack of green peas in 1934 was equivalent to 15,742,000 cases of 24 No. 2 cans, compared with a pack of 12,893,000 cases in 1933 and with a five-year average of 16,432,000 cases for the period 1928-32. These figures do not include quantities of soaked peas which are packed each year. The total supply of canned green peas for the 1934-35 marketing season, including carryover on May 1, was probably around 16,700,000 cases. For 1933-34 the total supply was estimated at 15,700,000 cases, and for the previous five seasons, 1928-29 to 1932-33, it probably averaged around 20,600,000 cases.

The disappearance of canned green peas from canners' hands during 1933-34 was about 14,700,000 cases. In 1932-33, following the small supplies and curtailed purchasing power of that season, disappearance was only 12,200,000 cases. For the preceding five-year period, 1927-28 to 1931-32, disappearance averaged about 17,000,000 cases. During the last three seasons exports were less than 100,000 cases annually and imports were almost negligible.

Judging from the present rate of movement from canners' hands, consumption during 1934-35 will probably be larger than that of 1933-34 and may exceed 15,000,000 cases. Under these circumstances, the total carryover will be less than 1,500,000 cases, or considerably below average. Assuming a similar or somewhat improved demand for the 1935-36 season, it appears that a pack not exceeding 16,000,000 cases in 1935 would meet consumption requirements without the danger of an excessive carryover at the beginning of the 1936-37 season.

Under average growing conditions, a planting of 210,000 to 220,000 acres (a decrease 20 to 25 per cent below the 1934 acreage but close to the five-year average of 1928-32) would be sufficient to produce a pack of 16,000,000 cases. Should the unusually low average yields of the last four seasons be repeated in 1934, however, a planting of about 280,000 acres, or an acreage equal to that of 1934, would be required to produce this pack. Making some allowance for the possible recurrence of lower-than-average yields in 1935, it seems that a planting of 240,000 acres, or 15 per cent less than the 1934 acreage, would be sufficient to meet consumption requirements and leave a normal carryover.

Tomatoes

Estimates of production on October 1 indicate that the total pack of canned tomatoes in 1934 will be equivalent to approximately 14,500,000 cases of 24 No. 3 cans, compared with a pack of 11,986,000 cases in 1933 and with an average of about 12,300,000 cases for the five-year period,

1928-32. Total supplies of American canned tomatoes, including carryover stocks on August 1, will probably be around 15,200,000 cases for the 1934-35 marketing season, compared with 13,200,000 cases in 1933-34, and with an average of 14,300,000 cases for the five preceding seasons.

The disappearance of domestic tomatoes from canners' hands was about 12,500,000 cases during 1933-34, 12,900,000 cases for the 1932-33 season, and averaged 12,700,000 cases for the five preceding seasons. The lowest disappearance in recent years amounted to 10,600,000 cases for the 1931-32 season, and the highest was in 1930-31, when it reached a total of about 15,000,000 cases.

In addition to this apparent consumption of domestic canned tomatoes, an average of about 1,600,000 cases of equivalent No. 3 cans was imported into the United States annually during the last four seasons. This quantity has remained fairly constant since the peak imports of nearly 3,000,000 cases in 1929-30, after which the higher tariff duties went into effect. Exports during the last four seasons averaged 67,000 cases annually.

Unless the consumption of American canned tomatoes in 1934-35 is larger than it has been in recent years, it appears that the carryover at the beginning of the 1935-36 marketing season would be around 2,500,000 cases, a quantity exceeding the carryover of the last three seasons but less than at the beginning of the 1930-31 season. It would seem that a pack not in excess of 13,000,000 cases in 1935 would be sufficient, with the probable carryover, to fill consumption requirements and avoid the possibility of an excessive carryover into the following season. Under growing conditions approaching the average of the five-year period preceding 1933, it would require a total of 320,000 to 340,000 acres, or slightly above the five-year average acreage, to produce a pack of 13,000,000 cases, allowing approximately one-half of this acreage for the manufacture of products other than canned tomatoes.

STATE CANNERS ASSOCIATION CONVENTIONS

Convention dates of state canners' associations, in addition to those announced in the Information Letter for October 20, have been set as follows:

Pennsylvania Canners Association, November 22, Hotel Yorktowne, York.

Iowa-Nebraska Canners Association, December 6, Fort Des Moines Hotel, Des Moines, Iowa.

Minnesota Canners Association, December 7, Radison Hotel, Minneapolis.

Tri-State Packers' Association, Inc., December 11 and 12; location to be announced later.

DR. BIGELOW MAKES WILEY MEMORIAL ADDRESS

By invitation of the Association of Official Agricultural Chemists, Dr. W. D. Bigelow, Director of the N. C. A. Research Laboratories, delivered the fourth Wiley Memorial Address at the fiftieth anniversary meeting of that association, held in Washington October 29 to 31. The invitation was especially appropriate since Dr. Bigelow was for many years closely asso-

ciated with Dr. Wiley, and was his first assistant chief in the Bureau of Chemistry when the Food and Drugs Act went into effect. Dr. Bigelow was president of the Official Agricultural Chemists in 1909.

The title of Dr. Bigelow's address was "Food Preservation in Relation to Public Health."

CALIFORNIA PEAR AND FREESTONE PEACH PACK

The 1934 pear pack in California up to October 1 amounted to 2,738,839 actual cases, equivalent to 2,662,842 cases on basis of No. 2½'s. The pack of freestone peaches was 343,270 actual cases, equivalent to 340,011 cases on basis of No. 2½'s. The pack in different sizes of containers in 1934 and each of the three preceding years is given in the following table:

Pears	1931	1932	1933	1934
No. 2½ (24 to case)	925,673	661,866	896,173	1,396,506
No. 10 (6 to case)	383,954	319,252	403,209	472,472
No. 3 (24 to case)	1,680	448	645	787
No. 2-T (24 to case)	191,825	156,545	127,724	190,450
No. 1-T (48 to case)	239,950	263,390	390,382	462,032
No. 1-F (48 to case)	18,636	15,205	21,740	11,978
8 oz. (72 to case)	131,872	59,476	136,604	202,755
Miscellaneous	1,308	.....	1,062	1,859
Total	1,894,808	1,476,182	1,977,539	2,738,839
No. 2½ basis	1,808,655	1,418,134	1,927,564	2,662,842
Free Peaches				
No. 2½ (24 to case)	39,232	15,743	43,232	192,797
No. 10 (6 to case)	30,674	8,014	22,140	85,945
No. 2-T (24 to case)	1,139	561	1,709	7,817
No. 1-T (48 to case)	3,367	102	498	56,446
No. 1-F (48 to case)	64	.....	.....	.....
8 oz. (72 to case)	173	.....	.....	265
Total	74,649	24,420	67,579	343,270
No. 2½ basis	71,966	23,542	65,144	340,011

CANNED MEAT AND SAUSAGE OUTPUT IN 1933

The output of canned sausage in wholesale meat-packing establishments in 1933 amounted to 12,336,490 pounds, valued at $1,708,613, as compared with 13,454,732 pounds, valued at $2,449,914, in 1931, according to a preliminary report of the U. S. Census Bureau. The canned meat output of these establishments in 1933 was 137,289,928 pounds, valued at $18,990,421, as compared with 91,407,854 pounds, valued at $21,179,688, in 1931. These figures do not include the output of canned sausage and meat in industries not classified by the Census Bureau as engaged in wholesale meat packing.

CENSUS REPORT ON 1933 CANNED MILK PRODUCTION

The value of the output of establishments engaged primarily in the manufacture of condensed and evaporated milk in 1933 was $131,086,300 (f.o.b. factory price), as compared with

$148,598,031 in 1931 and $209,109,700 in 1929, according to a preliminary report of the U. S. Census Bureau. Of the total output in 1933, condensed milk accounted for $14,616,462 and evaporated milk for $91,503,288. The following table shows the quantity and value of the output of condensed and evaporated milk in 1933 as compared with 1931:

	1931		1933	
	Pounds	*Value*	*Pounds*	*Value*
Condensed:				
Case goods—				
Whole milk	145,934,601	$11,349,979	84,418,816	$5,919,606
Skimmed milk	29,399,855	1,754,841	5,836,166	279,060
Bulk goods—				
Whole milk	106,498,703	6,420,603	79,819,476	4,589,029
Skimmed milk	116,726,416	4,387,467	104,501,656	3,828,767
Evaporated:				
Case goods—				
Whole milk	1,382,281,176	83,402,431	1,666,931,626	83,730,672
Skimmed milk	3,329,118	153,842	2,289,243	115,942
Bulk goods—				
Whole milk	70,549,143	3,797,494	165,068,037	5,632,440
Skimmed milk	95,193,213	2,709,385	85,271,784	2,024,234

CAN MAKING AND CANNED FOODS DISCUSSED AT INSTITUTE MEETING

Dr. H. A. Baker, general sales manager of the American Can Company, and Dr. E. F. Kohman, of the N. C. A. Research Laboratories, were guest speakers at the October 25 meeting of the American Institute of the City of New York. At the periodical meetings of this institute, which was founded over one hundred years ago, there are discussions of subjects related to science in its various branches, industry, art, etc.

Dr. Baker's address was devoted chiefly to developments in can manufacture, in the course of which he spoke of recent developments in the manufacture of sheet steel, which make possible a superior can.

Dr. Kohman devoted most of his address to the role and importance of succulent vegetables and fruits in modern dietaries, and the efficiency of the canning and preserving process in making the intrinsic nutritional value of these products available to consumers.

PROGRESS OF SHRIMP PACK

	1934		1933	
	Oct. 25-Oct. 31	Aug. 2-Oct. 31	Oct. 26-Nov. 1	Aug. 3-Nov. 1
	Cases	*Cases*	*Cases*	*Cases*
East Coast	3,085	59,613	815	85,302
Alabama and Louisiana	26,536	417,544	7,712	335,684
Mississippi	10,413	82,951	.....	82,981
Texas	2,600	43,555	6,500	36,900
Total	43,234	603,663	15,027	540,867

CUBAN GRAPEFRUIT EXPORTS INCREASING

Exports of grapefruit from the Isle of Pines, Cuba, during the first four months of the current crop year (July-October) amounted to 180,000 boxes, according to the Foreign Agricultural Service of the U. S. Department of Agriculture. This compares with 79,000 boxes exported during the corresponding period of the preceding season, 178,000 boxes in 1932, and 281,000 boxes in 1931, the year of highest exports. During those years 95 per cent of the total annual exports were shipped in the first four months of the season. The crop is ready for market about two months prior to the beginning of heavy shipments from Florida, and the United States is a good market for Cuban grapefruit during this early period. Shipments are made to the United Kingdom during this period and also later in the season. These two countries take most of the Cuban exports of grapefruit.

LEAFLET PUBLISHED ON CORN PACK

With this issue of the Information Letter there is mailed the annual statistical leaflet on the corn pack. The details of the pack by states have previously been carried back to the year 1909, but the record has become so extended that it has been necessary to omit the details for the earlier years. Accordingly, there is given the average of the pack by states for the years 1909-1918 inclusive. Additional copies of the leaflet may be had upon request.

Attention is called to an error in the report of the corn pack given in the Information Letter for November 3. The pack of yellow cream style corn in "Other" Eastern states should have been 54,965 cases. This was a typographical error and does not affect the total figures.

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